

Date: 2018-12-04

File: RE-18-1600

Subject: **Request to Begin Procurement – Roster of Vendors to Provide Professional Real Estate Advisory and Brokerage Services, on an As and When Required Basis for a One (1) Year Period**

Contact: Donn Bennett, Manager, Strategic Realty Services, 905.874.3878

Recommendations:

1. **THAT** the report from Donn Bennett, Manager, Strategic Realty Services and Amy Pyne, Real Estate Coordinator, Strategic Realty Services, dated December 4, 2018, to the Committee of Council Meeting of January 16, 2019, titled: **Request to Begin Procurement – Roster of Vendors to Provide Professional Real Estate Advisory and Brokerage Services, on an As and When Required Basis for a One (1) Year Period** be received, and
2. **THAT** the Purchasing Agent be authorized to begin the procurement for a Roster of Vendors to provide the City professional real estate advisory and brokerage services.

Overview:

- **This report seeks to obtain authorization to commence the procurement process to retain Professional Real Estate Advisory and Brokerage Services for a One (1) Year Period.**
- **Funding for real estate transactions is through various approved operational cost centres and Capital Projects. The estimate for the contract for a one (1) year initial term is \$675,000. The estimate for the three (3) optional one (1) year renewals total \$2,025,000. The total estimate for the initial term and optional renewals is \$2,700,000.**

9.2.2-2

Background:

At the July 5, 2017 Council Meeting, the report titled Authority to Modernize Mandate – Commence Revised Real Estate Acquisition, Disposal and Leasing Strategy was approved, directing cross-departmental staff, led by Realty Services, Legal Services, Economic Development, and Finance, to work jointly to acquire land and/or facilities for various identified City projects, identified municipal purposes, opportunity-driven purchases, and to address Council-approved strategic priorities.

Current Situation:

The City's current agreement with Colliers International ("Colliers," "incumbent"), under RFP2017-028 *Commercial Real Estate Brokerage Services*, expires April 30, 2019. The scope of work for this contract is limited to disposition and leasing activities, and therefore does not obligate the City to use Colliers for acquisition activities.

As the City continues to think bigger and be future ready, a roster of qualified Vendors providing Real Estate Advisory and Brokerage Services is required to support City Staff in facilitating land transactions.

Realty Services, on behalf of client group departments City-wide, is prepared to issue, through Purchasing, the necessary documents to engage Real Estate Brokers to provide advisory services and facilitate land transactions.

Scope of the Project:

The intent of this project is to create a roster of Vendors, serving as qualified resources for the City.

Successful Vendors will be required to provide strategic advice, analysis, and a full range of services to evaluate, list, market, report on and present offers for the disposition, acquisition, and leasing of property.

Purchasing:

A public Procurement Process will be conducted and the Bid submissions shall be evaluated in accordance with the published evaluation process within the bid document. Purchase approval shall be obtained in accordance with the Purchasing By-law.

All communication with Bidders involved in the procurement must occur formally, through the contact person identified in the Bid Document.

9.2.2-3

Corporate Implications:

Financial Implications:

Vendor services will be charged to various operational cost centres across the Corporation and various Capital Projects. This initiative requires \$686,880 (including non-recoverable HST of 1.76%). Partial funding is available through previously approved Capital Projects and the department will ensure that there are sufficient funds requested in future Capital and Operating Budget submissions, pending Council approval.

Strategic Plan:

This report supports Good Government, specifically the goal of “Practicing proactive, effective and responsible management of municipal assets and services”.

Conclusion:

It is recommended that the Purchasing Agent and Staff be authorized to commence the procurement, as described in this report, for a roster of Real Estate Brokers to support City Staff, provide advisory services, and facilitate land transactions.

Approved by:

Approved by:

Vicki Wong,
Senior Manager, Realty Services

Al Meneses,
Commissioner, Community Services

Report authored by: Amy Pyne, Coordinator, Strategic Realty Services, 905.874.3471